

taggdesigninc.

Environment, Social and Governance Report

2024

Introduction

This announcement is a development I would never have anticipated happening. Welcome to Tagg Design Inc's inaugural Environmental, Social and Governance (ESG) Report.

Tagg Design Inc. (TAGG) is a small, passionate company specializing in signage and infection control products. Formalizing ESG was definitely not something that was on our radar a year ago. When we began looking into it, the task seemed daunting and challenging. As we methodically began writing policies and started training programs, we developed new skills and grew stronger as a company. I am proud of my team's efforts.

We discovered that there were procedures that we had already put into place that needed to be included in formal written policy. This also gave us the incentive to pursue objectives which were previously in the pipeline and bring them to completion. This process has proved to be extremely valuable and productive for us.

We learned about the worldwide need for action towards climate change, about safeguarding human rights by formalizing policies and training, and have already seen benefits from the results of tracking our emissions and water consumption.

This is an important first step that will be built upon in the years to come. We have a clear-cut plan to move towards our ESG goals - step by step, every day. TAGG is small but mighty - we are excited and committed to contribute to this global endeavour.



Rosemary Swanek
Founder, President & CEO

aggdesigninc.

Land Acknowledgement

We would like to recognize, respect and honour the land that we are on, which has been the site of Indigenous residence since time immemorial.

We acknowledge that our headquarters is located on the traditional Indigenous territories that include the Mississaugas of the Credit, the Wendat, the Anishnaabeg Nation, the Chippewa and the Haudenosaunee Confederacy.

We also acknowledge that the City of Toronto is covered by Treaty 13 with the Mississaugas of the Credit.

Learn More:

City of Toronto Indigenous Affairs Office

https://www.toronto.ca/city-government/accessibility-human-rights/indigenous-affairs-office/
Our above Land Acknowledgement was based heavily on the guidelines and text provided on this page.

Assembly of First Nations

https://afn.ca/

An organization that aims to protect and advance the indigenous and treaty rights and interests of First Nations in Canada.

Crown-Indigenous Relations and Northern Affairs Canada

https://www.canada.ca/en/crown-indigenous-relations-northern-affairs.html

Resources from the Government of Canada

Native Land

https://native-land.ca/

An interactive map showing traditional Indigenous territories, languages and treaties in North America and across the world.

Together, Canadians must do more than just talk about reconciliation; we must learn how to practise reconciliation in our everyday lives—within ourselves and our families, and in our communities, governments, places of worship, schools, and workplaces.

- Truth and Reconciliation Commission of Canada

Our Commitment to Sustainability

TAGG is committed to building sustainability into the life cycle of all products we develop. We prioritize final products that are durable, repairable, re-usable and recyclable. This has environmental benefits as it keeps materials out of landfills, and economic benefits as a product can be used and refurbished for a long time without becoming obsolete.

As a guide, wherever possible we:

- Use production processes like screen or digital printing.
- Use recyclable packaging and minimize plastics.
- Design products to respect the long-term integrity and maintenance of the built environments that they are installed in.
- Source materials and manufacturing locally within our city and province, reducing transportation emissions and contributing to the local economy.

"Anything else you're interested in is not going to happen if you can't breathe the air and drink the water. Don't sit this one out. Do something. You are by accident of fate alive at an absolutely critical moment in the history of our planet."

In 2024, we developed and implemented environmental policies and training in many areas that align with the UN Sustainable Development Goals:



- Tracking Scope 1 and 2 emissions
- · Tracking and minimizing motor vehicle travel



- Waste sorting and disposal
- Hazardous material storage and disposal



- Water consumption tracking and reduction
- Paper minimization
- Energy-efficient equipment purchase and disposal



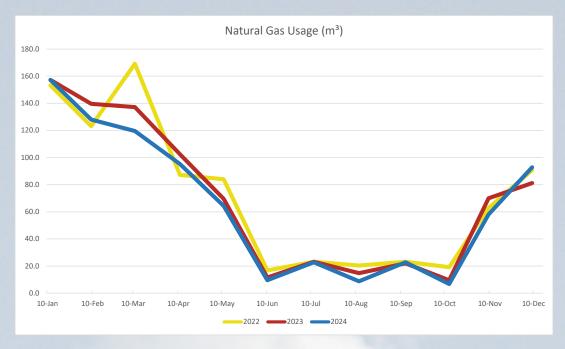
Earth Day Cleanup at Fergy Brown Park

April 18th, 2024 marked the first annual Tagg Design Inc. Earth Day Cleanup.

We removed a trunkload of trash from an urban park, within the Humber River floodplain.

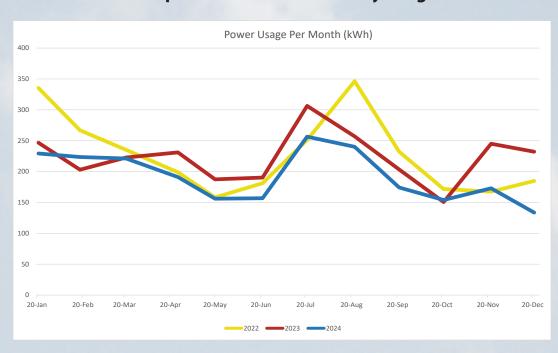
Environmental Figures

Scope 1 Emissions: Gas Usage



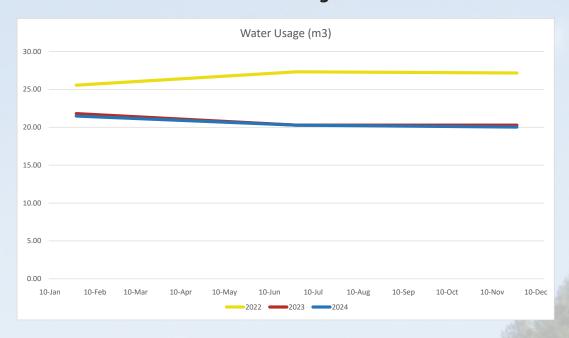
Based on data from the past 3 years, TAGG reduced its gas usage by 6% in 2024 compared to 2023. This is 10% lower compared to 2022.

Scope 2 Emissions: Electricity Usage



Based on data from the past 3 years, TAGG reduced its electricity usage by 14% in 2024 compared to 2023. This is 6% lower compared to 2022.

Water Usage



Important Notice:

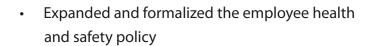
Regular tracking of water usage through City of Toronto Utility Bills made us aware of a widespread issue with their water meter transmitters. It turned out that data received since March of 2023 was estimated by the city for billing purposes due to our transmitter being among the many faulty units. Repairs from the city are forthcoming.

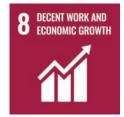
The above chart therefore unfortunately cannot be used to set reliable targets.

Starting in 2025, we will track meter readings independent of the City, both for our own records and to ensure future City records are correct.

In 2024, we developed and implemented Social/Governance policies and training in many areas that align with the UN Sustainable Development Goals:







- Formalized employee onboarding, compensation for additional working hours, and vacation time
- Providing opportunities for young and/or underprivileged individuals to advance within the field



- Inclusivity and diversity in hiring and suppliers
- Fostering a culture of respect in the workplace
- Prevention of discrimination and harassment among individuals with disabilities
- Enforcing anti-bribery and corruption measures



- Local and regional sourcing
- Supplier diversity



Tagg Clean-Hands® Sanitizing Stations donated to Food Banks Canada

In September 2024, TAGG was proud to have donated several sanitizing stations, including floor and wall models, to two food banks in Bracebridge and Belleville, Ontario.

17

Average training hours per employee

14

Number of policy training sessions

51

Total hours spent on employee training

100%

of employees trained

Employee complaints

97%

Employee attendance rate

of employees are members of visible minorities

33% of employees are

female

66%

of employees are on the autism spectrum

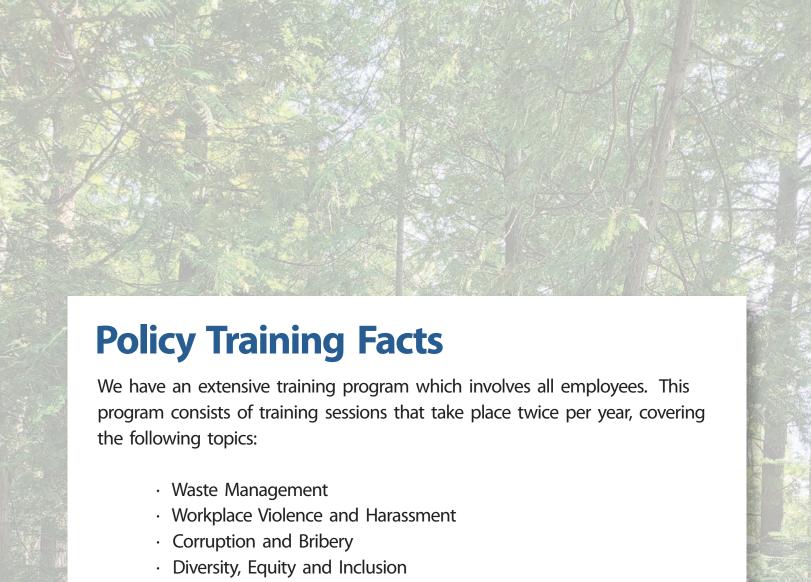
66% of employees identify as LGBTQ+

6%

Total expenditure on diverse businesses in 2024

1.2%

Total expenditure on diverse businesses in 2023



- · Emissions and Environmental Actions
- · E-mail, Internet Safety and IT Disaster Recovery
- · Electrical Safety

Reduce our electricity usage by

3%

compared to 2024

Reduce our gas usage by

3%

compared to 2024

Reduce our water usage by

5%

compared to 2024

Considerations for 2025:

- · Carbon Credits to drive positive environmental change
- Clean Energy Credits to reaffirm our commitment to using renewable electricity

About Us

Having been in the sign business since 1988, our president brings her years of experience towards managing signage projects for clients, bringing them high-visibility designs, clear branding representation, and practical hardware implementations. TAGG's unique Internet sign portal allows clients to approve, maintain and replace signs throughout various sites, across many locations.

Since 2005, TAGG's infection prevention solution, Tagg Clean-Hands® Sanitizing Stations, has been trusted by healthcare across Canada. They allow facilities or businesses of any size to show their commitment to preventing disease transmission.

We are certified as a woman-owned business under WBE Canada, members of Infection Prevention and Control Canada (IPAC Canada), the Ontario Sign Association, the Sign Association of Canada (SAC-ACE), the International Sign Association, and the Organization of Canadian Nuclear Industries (OCNI). We are also in good standing on ISNetworld and Ecovadis.

Member Organizations

















Visit us on our social channels!



https://www.linkedin.com/company/taggcleanhands



 $\underline{https://www.instagram.com/taggcleanhands/}$



https://x.com/taggcleanhands



https://www.youtube.com/user/taggdesigninc



We do more than just signage. Read more at <u>www.taggcleanhands.com</u>

Our <u>Infection Control Symbol Package</u> is freely shareable to remove barriers to access these important resources.

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